DOCUMENT RESUME

ED 164 974 CE 019 598

TITLE Full Employment and Balanced Growth Act of 1978. Public Law 95-523--Oct. 27, 1978. 95th Congress.
INSTITUTION Congress of the U.S., Washington, D.C.
PUB DATE 27 Oct 78
NOTE 23p.; Not available in hard copy due to small print in the original document

EDRS PRICE MF-$0.83 Plus Postage. HC Not Available from EDRS.
DESCRIPTORS Adults; Budgeting; Economic Factors; Employment; *Employment Opportunities; Equal Opportunities (Jobs); Federal Legislation; *Financial Policy; *Growth Patterns; Income; Job Placement; Job Training; Labor Market; Labor Standards; Objectives; Occupational Guidance; Policy; Productivity; Underemployed; *Unemployment; Youth Employment
IDENTIFIERS *Full Employment and Balanced Growth Act 1978

ABSTRACT

The Full Employment and Balanced Growth Act of 1978 is reproduced in its entirety. The act, public law 95-523, is designed to translate into practical reality the right of all Americans to full opportunity for useful paid employment at fair compensation rates; to assert the federal government's responsibility to use all programs and policies promoting full employment and balanced growth; to require the president each year to set forth short-term/medium-term economic goals; to achieve better integration of general and structural economic policies; and to improve economic policymaking coordination within the federal government. The act contains a table of contents and four titles, each of which embodies various sections. The titles include (1) the establishment of goals and general economic policies, (2) structural policies and programs, including treatment of resource restraints, (3) policies and procedures for congressional review, and (4) general provisions. (CSS)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED164974

Public Law 95-523
95th Congress

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

An Act

To translate into practical reality the right of all Americans who are able, willing, and seeking to work to full opportunity for useful paid employment at fair rates of compensation; to assert the responsibility of the Federal Government to use all practicable programs and policies to promote full employment, production, and real income, balanced growth, adequate productivity growth, proper attention to national priorities, and reasonable price stability; to require the President each year to set forth explicit short-term and medium-term economic goals; to achieve a better integration of general and structural economic policies; and to improve the coordination of economic policymaking within the Federal Government.

Oct. 27, 1978
[H.R. 50]

Be is enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act and the following table of contents may be cited as the "Full Employment and Balanced Growth Act of 1978".

Full Employment and Balanced Growth Act of 1978.
15 USC 3101 note.

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.
Sec. 2. General findings.
Sec. 3. Report.
Sec. 4. National Employment Conference.

TITLE I—ESTABLISHMENT OF GOALS AND GENERAL ECONOMIC POLICIES

Sec. 101. Statement of purpose.
Sec. 102. Declaration of policy.
Sec. 103. Economic Report of the President and short-term economic goals and policies.
Sec. 104. Full employment and balanced growth; medium-term economic goals and policies.
Sec. 105. Provisions applicable to short-term and medium-term goals.
Sec. 106. National priority policies and programs required for full employment and balanced growth.
Sec. 107. The President's budget.
Sec. 108. Monetary policy.
Sec. 109. Overcoming inflation.
Sec. 110. Council of Economic Advisers.
Sec. 111. Advisory Board or Boards.

TITLE II—STRUCTURAL POLICIES AND PROGRAMS, INCLUDING TREATMENT OF RESOURCE RESTRAINTS

Sec. 201. Statement of purpose.
Sec. 202. Countercyclical employment policies.
Sec. 203. Coordination with State and local government and private sector economic activity.
Sec. 204. Regional and structural employment policies.
Sec. 205. Youth employment policies.
Sec. 206. Job training, counseling, and reservoirs of employment projects.
Sec. 207. Capital formation—private and public.

TITLE III—POLICIES AND PROCEDURES FOR CONGRESSIONAL REVIEW

Sec. 301. Statement of purpose.
Sec. 302. Committee review.
Sec. 303. Review of Economic Report as part of the Budget process.
Sec. 304. Modification of timetable for achieving unemployment goals.
Sec. 305. Exercise of rulemaking powers.

TITLE IV—GENERAL PROVISIONS

Sec. 401. Nondiscrimination.
Sec. 402. Labor standards.

CE 019 598

39-139 O - 78 (336)

GENERAL FINDINGS

15 USC 3101.

SEC. 2. (a) The Congress finds that the Nation has suffered substantial unemployment and underemployment, idleness of other productive resources, high rates of inflation, and inadequate productivity growth, over prolonged periods of time, imposing numerous economic and social costs on the Nation. Such costs include the following:

(1) The Nation is deprived of the full supply of goods and services, the full utilization of labor and capital resources, and the related increases in economic well-being that would occur under conditions of genuine full employment, production, and real income, balanced growth, a balanced Federal budget, and the effective control of inflation.

(2) The output of goods and services is insufficient to meet pressing national priorities.

(3) Workers are deprived of the job security, income, skill development, and productivity necessary to maintain and advance their standards of living.

(4) Business and industry are deprived of the production, sales, capital flow, and productivity necessary to maintain adequate profits, undertake new investment, create jobs, compete internationally, and contribute to meeting society's economic needs. These problems are especially acute for smaller businesses. Variations in the business cycle and low-level operations of the economy are far more damaging to smaller businesses than to larger business concerns because smaller businesses have fewer available resources, and less access to resources, to withstand nationwide economic adversity. A decline in small business enterprises contributes to unemployment by reducing employment opportunities and contributes to inflation by reducing competition.

(5) Unemployment exposes many families to social, psychological, and physiological costs, including disruption of family life, loss of individual dignity and self-respect, and the aggravation of physical and psychological illnesses, alcoholism and drug abuse, crime, and social conflicts.

(6) Federal, State, and local government budgets are undermined by deficits due to shortfalls in tax revenues and in increases in expenditures for unemployment compensation, public assistance, and other recession-related services in the areas of criminal justice, alcoholism and drug abuse, and physical and mental health.

(b) The Congress further finds that:

(1) High unemployment may contribute to inflation by diminishing labor training and skills, underutilizing capital resources, reducing the rate of productivity advance, increasing unit labor costs, and reducing the general supply of goods and services.

(2) Aggregate monetary and fiscal policies alone have been unable to achieve full employment and production, increased real income, balanced growth, a balanced Federal budget, adequate productivity growth, proper attention to national priorities, achievement of an improved trade balance, and reasonable price stability, and therefore must be supplemented by other measures designed to serve these ends.

(3) Attainment of these objectives should be facilitated by setting explicit short-term and medium-term economic goals, and by improved coordination among the President, the Congress, and the Board of Governors of the Federal Reserve System.

(4) Increasing job opportunities and full employment would greatly contribute to the elimination of discrimination based upon sex, age, race, color, religion, national origin, handicap, or other improper factors.

(c) The Congress further finds that an effective policy to promote full employment and production, increased real income, balanced growth, a balanced Federal budget, adequate productivity growth, proper attention to national priorities, achievement of an improved trade balance, and reasonable price stability should (1) be based on the development of explicit economic goals and policies involving the President, the Congress, and the Board of Governors of the Federal Reserve System, with maximum reliance on the resources and ingenuity of the private sector of the economy, (2) include programs specifically designed to reduce high unemployment due to recessions, and to reduce structural unemployment within regional areas and among particular labor force groups, and (3) give proper attention to the role of increased exports and improvement in the international competitiveness of agriculture, business, and industry in providing productive employment opportunities and achieving an improved trade balance.

(d) The Congress further finds that full employment and production, increased real income, balanced growth, a balanced Federal budget, adequate productivity growth, proper attention to national priorities, achievement of an improved trade balance through increased exports and improvement in the international competitiveness of agriculture, business, and industry, and reasonable price stability are important national requirements and will promote the economic security and well-being of all citizens of the Nation.

(e) The Congress further finds that the United States is part of an interdependent world trading and monetary system and that attainment of the requirements specified in subsection (d) is dependent upon policies promoting a free and fair international trading system and a sound and stable international monetary system.

REPORT

Full employment goal, study.
15 USC 3102.

SEC. 3. Not later than one year after the date of enactment of this Act, the Committee on Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives each shall conduct a study and submit a report, including findings and recommendations, to the Committee on Rules and Administration of the Senate and the Committee on Rules of the House, respectively, on the subject of establishing a full employment goal in connection with the provisions of this Act.

NATIONAL EMPLOYMENT CONFERENCE

Convening and organization.
15 USC 3103.

SEC. 4. (a) A national Employment Conference may be convened in the District of Columbia within a reasonable period of time after the date of enactment of the Full Employment and Balanced Growth Act of 1978. Responsibility for the organization and implementation of this conference shall rest with the President or the appropriate department or agency of the Federal Government, and the conference shall bring together leaders of small and larger business, labor, government, and all other interested parties.

(b) The subject of the conference shall be employment, with particular attention to structural unemployment and the plight of disadvantaged youth. The conference shall also focus on issues such as

implementation of adequate and effective incentives for private sector employers to hire the hard-core unemployed. Special attention shall be given to the creation of jobs through the use of targeted employment tax credits, wage vouchers, and other incentives to private sector businesses.

TITLE I—ESTABLISHMENT OF GOALS AND GENERAL ECONOMIC POLICIES

STATEMENT OF PURPOSE

15 USC 1021 note.

SEC. 101. It is the purpose of this title—

(1) to declare the general policies of this Act;

(2) to provide an open process under which economic goals and policies are proposed, reviewed, and established;

(3) to provide for yearly review of national economic policies to ensure their consistency with these goals to the maximum extent possible; and

(4) to strengthen and supplement the purposes and policies of the Employment Act of 1946.

15 USC 1021 note.

DECLARATION OF POLICY

15 USC 1021.

SEC. 102. Section 2 of the Employment Act of 1946 is amended to read as follows:

"SEC. 2. (a) The Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means, consistent with its needs and obligations and other essential national policies, and with the assistance and cooperation of both small and larger businesses, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions which promote useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and promote full employment and production, increased real income, balanced growth, a balanced Federal budget, adequate productivity growth, proper attention to national priorities, achievement of an improved trade balance through increased exports and improvement in the international competitiveness of agriculture, business, and industry, and reasonable price stability as provided in section 5(b) of this Act.

Post, p. 1895.

"(b) The Congress further declares and establishes as a national goal the fulfillment of the right to full opportunities for useful paid employment at fair rates of compensation of all individuals able, willing, and seeking to work.

"(c) The Congress further declares that inflation is a major national problem requiring improved government policies relating to food, energy, improved and coordinated fiscal and monetary management, the reform of outmoded rules and regulations of the Federal Government, the correction of structural defects in the economy that prevent or seriously impede competition in private markets, and other measures to reduce the rate of inflation.

"(d) The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1978 to improve the coordination and integration of the policies and programs of the Federal Government toward achievement of the objectives of such

Ante, p. 1887.

Act through better management, increased efficiency, and attention to long-range as well as short-range problems and to balancing the Federal budget.

"(e) The Congress further declares that, although it is the purpose under the Full Employment and Balanced Growth Act of 1978 to seek diligently and to encourage the voluntary cooperation of the private sector in helping to achieve the objectives of such Act, no provisions of such Act or this Act shall be used, with respect to any portion of the private sector of the economy, to provide for Federal Government control of production, employment, allocation of resources, or wages and prices, except to the extent authorized under other Federal laws. *Ante*, p. 1887.

"(f) The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1978 to maximize and place primary emphasis upon the expansion of private employment, and all programs and policies under such Act shall be in accord with such purpose. Toward this end, the effort to expand jobs to the full employment level shall be in this order of priority to the extent consistent with balanced growth—

"(1) expansion of conventional private jobs through improved use of general economic and structural policies, including measures to encourage private sector investment and capital formation;

"(2) expansion of private employment through Federal assistance in connection with the priority programs in such Act;

"(3) expansion of public employment other than through the provisions of section 206 of such Act; and *Post*, p. 1902.

"(4) when recommended by the President under section 206 of such Act and subject to the limitations in such section, the creation of employment through the methods set forth in such section.

"(g) The Congress further declares that trade deficits are a major national problem requiring a strong national export policy including improved Government policies relating to the promotion, facilitation, and financing of commercial and agricultural exports, Government policies designed to reduce foreign barriers to exports through international negotiation and agreement, Federal support for research, development, and diffusion of new technologies to promote innovation in agriculture, business, and industry, the elimination or modification of Government rules or regulations that burden or disadvantage exports and the national and international competitiveness of agriculture, business, and industry, the reexamination of antitrust laws and policies when necessary to enable agriculture, business, and industry to meet foreign competition in the United States and abroad, and the achievement of a free and fair international trading system and a sound and stable international monetary order.

"(h) The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1978 to achieve a balanced Federal budget consistent with the achievement of the medium-term goals specified in section 4. *Post*, p. 1893.

"(i) The Congress further declares that it is the continuing policy and responsibility of the Federal Government, in cooperation with State and local governments, to use all practical means consistent with other essential considerations of national policy to provide sufficient incentives to assure meeting the investment needs of private enterprise, including the needs of small and medium sized businesses, in order to increase the production of goods, the provision of services, employment, the opportunity for profit, the payment of taxes, and to

reduce and control inflation. To the extent it is reasonably possible to do so, private enterprise investments in depressed urban and rural areas should be promoted to reduce the high levels of unemployment that exist there.

"(j) The Congress further declares that it is the purpose of the Full Employment and Balanced Growth Act of 1978 to rely principally on the private sector for expansion of economic activity and creation of new jobs for a growing labor force. Toward this end, it is the purpose of this Act to encourage the adoption of fiscal policies that would establish the share of the gross national product accounted for by Federal outlays at the lowest level consistent with national needs and priorities.".

Ante, p. 1887.

ECONOMIC REPORT OF THE PRESIDENT AND SHORT-TERM ECONOMIC GOALS AND POLICIES

SEC. 103. (a) The heading preceding section 3 and section 3(a) of the Employment Act of 1946 are amended to read as follows:

15 USC 1022.

"ECONOMIC REPORT OF THE PRESIDENT AND SHORT-TERM ECONOMIC GOALS AND POLICIES

Transmittal to Congress and States.

"SEC. 3. (a) The President shall transmit to the Congress during the first twenty days of each regular session, with copies transmitted to the Governor of each State and to other appropriate State and local officials, an economic report (hereinafter in this Act referred to as the 'Economic Report') together with the annual report of the Council of Economic Advisers submitted in accord with section 11(c) of this Act, setting forth—

"(1) the current and foreseeable trends in the levels of employment, unemployment, production, capital formation, real income, Federal budget outlays and receipts, productivity, international trade and payments, and prices, and a review and analysis of recent domestic and international developments affecting economic trends in the Nation;

"(2)(A) annual numerical goals for employment and unemployment, production, real income, productivity, and prices for the calendar year in which the Economic Report is transmitted and for the following calendar year, designated as short-term goals, which shall be consistent with achieving as rapidly as feasible the goals of full employment and production, increased real income, balanced growth, fiscal policies that would establish the share of an expanding gross national product accounted for by Federal outlays at the lowest level consistent with national needs and priorities, a balanced Federal budget, adequate productivity growth, price stability, achievement of an improved trade balance, and proper attention to national priorities; and

"(B) annual numerical goals as specified in subparagraph (A) for the three successive calendar years, designated as medium term goals;

"(3) employment objectives for certain significant subgroups of the labor force, including youth, women, minorities, handicapped persons, veterans, and middle-aged and older persons; and

"(4) a program for carrying out the policy declared in section 2, together with such recommendations for legislation as the President may deem necessary or desirable.".

Ante, p. 1890.

(b) Section 3 of the Employment Act of 1946 is amended by adding the following: 15 USC 1022.

"(d) For the purposes of the Full Employment and Balanced Growth Act of 1978, the percentage rate of unemployment as a percentage of the civilian labor force as set forth by the Bureau of Labor Statistics in the Department of Labor as computed under the procedures in effect as of the date of enactment of this Act. *Ante*, p. 1887.

"(e) For the purpose of the Full Employment and Balanced Growth Act of 1978, the terms 'inflation', 'prices', and 'reasonable price stability' refer to the rate of change or level of the consumer price index as set forth by the Bureau of Labor Statistics, United States Department of Labor." Definitions.

FULL EMPLOYMENT AND BALANCED GROWTH: MEDIUM-TERM ECONOMIC GOALS AND POLICIES

SEC. 104. The Employment Act of 1946 is amended by redesignating sections 4 and 5 as sections 10 and 11, respectively, and by inserting a new section 4 as follows: 15 USC 1023, 1024.

"FULL EMPLOYMENT AND BALANCED GROWTH: MEDIUM-TERM ECONOMIC GOALS AND POLICIES

"SEC. 4. (a) In each Economic Report after enactment of the Full Employment and Balanced Growth Act of 1978, the President shall incorporate (as part of the five-year numerical goals in each Economic Report) medium-term annual numerical goals specified in section 3(a)(2)(B), and in each President's Budget submitted immediately prior thereto, the President shall incorporate the programs and policies the President deems necessary to achieve such medium-term goals and a balanced Federal budget and to achieve reasonable price stability as rapidly as feasible as provided for in section 5(b) of this Act. 15 USC 1022a. *Ante*, p. 1892. *Post*, p. 1895.

"(b) The medium-term goals in the first three Economic Reports and, subject to the provisions of subsection (d), in each Economic Report thereafter shall include (as part of the five-year goals in each Economic Report) interim numerical goals for—

"(1) reducing the rate of unemployment, as set forth pursuant to section 3(d) of this Act, to not more than 3 per centum among individuals aged twenty and over and 4 per centum among individuals aged sixteen and over within a period not extending beyond the fifth calendar year after the first such Economic Report; and *Supra.*

"(2) reducing the rate of inflation, as set forth pursuant to section 3(e) of this Act, to not more than 3 per centum within a period not extending beyond the fifth calendar year after the first such Economic Report: *Provided*, That policies and programs for reducing the rate of inflation shall be designed so as not to impede achievement of the goals and timetables specified in clause (1) of this subsection for the reduction of unemployment. *Supra.*

For purposes of this subsection, the first Economic Report shall be the Report issued in the first calendar year after enactment of the Full Employment and Balanced Growth Act of 1978.

"(c)(1) Upon achievement of the 3 and 4 per centum goals specified in subsection (b)(1), each succeeding Economic Report shall have the goal of achieving as soon as practicable and maintaining thereafter full employment and a balanced budget.

"(2) Upon achievement of the 3 per centum goal specified in subsection (b)(2), each succeeding Economic Report shall have the goal of achieving by 1988 a rate of inflation of zero per centum: *Provided*, That policies and programs for reducing the rate of inflation shall be designed so as not to impede achievement of the goals and timetables specified in clause (1) of this subsection for the reduction of unemployment.

Review and corrective measures.
Ante, p. 1887.

"(d) In the second Economic Report after enactment of the Full Employment and Balanced Growth Act of 1978, the President shall review the numerical goals and timetables for the reduction of unemployment and inflation and the goal of balancing the Federal budget; report to the Congress on the degree of progress being made, the programs and policies being used, and any obstacles to achieving such goals and timetables; and, if necessary, propose corrective economic measures toward achievement of such goals and timetables: *Provided*, That beginning with the second Report and in any subsequent Reports, if the President finds it necessary, the President may recommend modification of the timetable or timetables for the achievement of the goals provided for in subsection (b) and the annual numerical goals to make them consistent with the modified timetable or timetables, and the Congress may take such action as it deems appropriate consistent with title III of the Full Employment and Balanced Growth Act of 1978.

Post, p. 1904.

"(e) If, after achievement of the 3 and 4 per centum goals specified in subsection (b), the unemployment rate for a year as set forth pursuant to section 3(d) of this Act is more than 3 per centum among individuals aged twenty and over or more than 4 per centum among individuals aged sixteen and over, the next Economic Report after such rate is set forth and each succeeding Economic Report shall include (as part of the five-year goals in each Economic Report) the interim numerical goal of reducing unemployment to not more than the levels specified in subsection (b)(1) as soon as practicable but not later than the fifth calendar year after the first such Economic Report, counting as the first calendar year the year in which such Economic Report is issued: *Provided*, That, if the President finds it necessary, the President may, under the authority provided in subsection (d), recommend modification of the timetable provided for in this subsection for the reduction of unemployment, and for the purposes of section 304 of the Full Employment and Balanced Growth Act of 1978, such recommendation by the President shall be treated as a recommendation made under subsection (d) of this section.

Ante, p. 1893.

Presidential recommendation.

Post, p. 1906.

"(f)(1) In taking action to reduce unemployment in accord with the numerical goals and timetable established under section (b), every effort shall be made to reduce those differences between the rates of unemployment among youth, women minorities, handicapped persons, veterans, middle-aged and older persons and other labor force groups and the overall rate of unemployment which are caused by any improper factors with the ultimate objective of removing such differentials to the extent possible.

"(2) Insofar as the differences specified in the preceding paragraph are due to lack of training and skills, occupational practices, and other relevant factors, the Secretary of Labor shall—

"(A) take such action as practicable to achieve the objectives of this subsection;

"(B) make studies, develop information, and make recommendations toward remedying these differences in rates of unemployment, and include these in the annual Employment and Training

Report of the President required under section 705(a) of the Comprehensive Employment and Training Act of 1973 (hereinafter in this Act referred to as 'CETA'); and *Post*, p. 2021.

"(C) make recommendations, as deemed necessary, to the Congress related to the objectives of this paragraph.

"(g)(1) The term 'middle-aged and older persons' as used in this section includes any individual forty-five years of age or older. Definitions.

"(2) For purposes of this subsection, the term 'veteran' shall mean the same as defined in section 2011(1) or (2)(A) of title 38, United States Code.".

PROVISIONS APPLICABLE TO SHORT-TERM AND MEDIUM-TERM GOALS

SEC. 105. The Employment Act of 1946 is amended by adding a new section 5 as follows:

"PROVISIONS APPLICABLE TO SHORT-TERM AND MEDIUM-TERM GOALS

"SEC. 5. (a) To aid in determining the short-term and medium-term goals for employment, production, real income, and prices, analysis shall be presented in the Economic Report with respect to major aspects of the appropriate composition or structure of each goal, and as to the appropriate apportionment of total national production among its major components (private investment, consumer expenditures, and public outlays) as affected by relative income flows and other factors, in order to promote balanced growth and a balanced Federal budget, reduce cyclical disturbances, and achieve the other purposes of this Act and the Full Employment and Balanced Growth Act of 1978. Analysis. 15 USC 1022b. *Ante*, p. 1887.

"(b) In choosing means to achieve the goal for the reduction of unemployment and choosing means to achieve the goal of reasonable price stability, those means which are mutually reinforcing shall be used to the extent practicable.".

NATIONAL PRIORITY POLICIES AND PROGRAMS REQUIRED FOR FULL EMPLOYMENT AND BALANCED GROWTH

SEC. 106. The Employment Act of 1946 is amended by adding a new section 6 as follows:

"NATIONAL PRIORITY POLICIES AND PROGRAMS REQUIRED FOR FULL EMPLOYMENT AND BALANCED GROWTH

"SEC. 6. To contribute to the achievement of the goals under the Full Employment and Balanced Growth Act of 1978, the President's Budget for each fiscal year beginning after the date of enactment of the Full Employment and Balanced Growth Act of 1978 shall include priority policies and programs, which shall include, to the extent deemed appropriate by the President, consideration of the following— 15 USC 1022c.

"(A) development of energy sources and supplies, transportation, and environmental improvement;

"(B) proper attention to the problems and needs of smaller businesses including (i) the availability of investment capital, management and technical expertise, and technology and labor needs, (ii) analysis of economic and social trends which may affect smaller businesses, (iii) government policies and programs

(including agency regulations and excessive paperwork requirements) that may create undue hardship for or reduce the competitiveness of smaller businesses, and (iv) other policies and programs to remove barriers to competition and to strengthen and promote the creation and growth of smaller businesses;

"(C) development of a comprehensive national agricultural policy that assures—

"(i) production levels adequate to meet the nutritional needs of all Americans and respond to rising food requirements throughout the world;

"(ii) farm and ranch income at full parity levels that will improve opportunities for farm families, encourage production, provide for essential capital investment in farming, and provide for farm prices at full parity in the market place;

"(iii) renewed commitment to the protection and conservation of rural land and water through support for improved conservation practices and research, and attention to agricultural land use in the formulation of plans for energy, water and mineral resources, transportation, and commercial, industrial, and residential development; and

"(iv) support for programs and public services designed to respond to the unique economic and social conditions of rural communities;

"(D) proper attention to the relationship between Federal programs and policies and the problems and needs of urban areas, including inner cities and the employment problems of their residents, especially youths;

"(E) proper attention to the quality and quantity of health care, education and training programs, child care and other human services, and housing, essential to a full employment economy and to moving toward their availability for all individuals at costs within their means;

"(F) policies concerning Federal aid to State and local governments, especially for public investment and unemployment related costs;

"(G) national defense and other needed international programs;

"(H) proper attention to the relationship between Federal grants, contracts, and procurement and the closure of military bases and other Federal facilities and the distribution of jobs and income among different regions of the Nation, and among urban, suburban, and rural areas;

"(I) Proper attention to balancing the Federal budget;

"(J) proper attention to the dislocation of jobs caused by Federal laws, regulations, and policies;

"(K) policies and programs designed to increase exports and improve the international competitive position of agriculture, business, and industry, including measures to promote a free and fair international trading system, a sound and stable international monetary system and innovation in agriculture, business, and industry;

"(L) such other priority policies and programs as the President deems appropriate.".

THE PRESIDENT'S BUDGET

SEC. 107. The Employment Act of 1946 is amended by inserting a new section 7 as follows:

"THE PRESIDENT'S BUDGET

"SEC. 7. (a) The President's Budget shall recommend levels of outlays and receipts which shall be consistent with the short-term economic goals of section 3(a)(2)(A). 15 USC 1022d.

Ante, p. 1892.

"(b) The President's Budget shall provide five-year projections of outlays and receipts consistent with the medium-term goals of section 4(b).

Ante, p. 1893.

"(c) The principal elements in the President's Budget shall be set forth briefly in each Economic Report, toward the end of making clear the relationship between the President's Budget and the goals and policies set forth in such Economic Report. Both the expenditure and revenue elements of the President's Budget shall be developed to promote the purposes, policies, and goals of the Full Employment and Balanced Growth Act of 1978. The size of the President's expenditure and revenue proposals, and the relationships between such proposals, shall be determined in a manner which gives consideration to the needs of the economy and the people in the priority areas set forth in section 6, and the relationship between the President's expenditure and revenue proposals shall be guided accordingly.".

Ante, p. 1887.

MONETARY POLICY

SEC. 108. (a) Section 2A of the Federal Reserve Act is amended by striking out the second and third sentences and inserting in lieu thereof the following: "In furtherance of the purposes of the Full Employment and Balanced Growth Act of 1978, the Board of Governors of the Federal Reserve System shall transmit to the Congress, not later than February 20 and July 20 of each year, independent written reports setting forth (1) a review and analysis of recent developments affecting economic trends in the Nation; (2) the objectives and plans of the Board of Governors and the Federal Open Market Committee with respect to the ranges of growth or diminution of the monetary and credit aggregates for the calendar year during which the report is transmitted, taking account of past and prospective developments in employment, unemployment, production, investment, real income, productivity, international trade and payments, and prices; and (3) the relationship of the aforesaid objectives and plans to the short-term goals set forth in the most recent Economic Report of the President pursuant to section 3(a)(2)(A) of the Employment Act of 1946 and to any short-term goals approved by the Congress. In addition, as a part of its report on July 20 of each year, the Board of Governors shall include a statement of its objectives and plans with respect to the ranges of growth or diminution of the monetary and credit aggregates for the calendar year following the year in which the report is submitted. The reports required under the two preceding sentences shall be transmitted to the Congress and shall be referred in the Senate to the Committee on Banking, Housing, and Urban Affairs, and in the House of Representatives to the Committee on Banking, Finance and Urban Affairs. The Board shall consult with each such Committee on the reports and, thereafter, each such Committee shall submit to its respective body a report containing its views and recommendations with respect to the Federal Reserve's intended policies. Nothing in this Act shall be interpreted to require that the objectives and plans with respect to the ranges of growth or diminution of the monetary and credit aggregates disclosed in the reports submitted under this section be achieved if the Board

Annual reports to Congress.
12 USC 225a.

Transmittals to congressional committees, consultation and report.

of Governors and the Federal Open Market Committee determine that they cannot or should not be achieved because of changing conditions: *Provided*, That in the subsequent consultations with, and reports to, the aforesaid Committees of the Congress pursuant to this section, the Board of Governors shall include an explanation of the reasons for any revisions to or deviations from such objectives and plans.".

Effective date.

(b) The amendment made by subsection (a) takes effect on January 1, 1979.

12 USC 225a note.

OVERCOMING INFLATION

SEC. 109. The Employment Act of 1946 is amended by inserting a new section 8 as follows:

"OVERCOMING INFLATION

15 USC 1022e.

"SEC. 8. (a) The Congress hereby determines that the objective of achieving reasonable price stability as soon as feasible, as set forth in section 3(a)(3) and section 4(a), shall be pursued by the methods and subject to the requirements of section 5(b).

Ante, pp. 1892, 1893.
Ante, p. 1895.

"(b) The Congress finds that sole dependence upon fiscal or monetary policies or both to combat inflation can exacerbate both inflation and unemployment. The Congress finds that the coordinated use of fiscal and monetary policies in conjunction with specific targeted policies are necessary to combat inflation.

Policy initiation and recommendations.

"(c) The President shall initiate specific policies to reduce the rate of inflation, including recommendations to the Congress where necessary, and include recommendations within the Economic Report and the President's budget to the extent practicable. Structural policies to reduce the rate of inflation may include—

"(1) an effective information system to monitor and analyze inflationary trends in individual economic sectors, so that the President and Congress can be alerted to developing inflation problems especially those caused by bottlenecks inhibiting the flow of goods and services;

"(2) programs and policies for alleviating shortages of goods, services, labor, and capital, with particular emphasis on food, energy, and critical industrial materials to aid in stabilizing prices;

"(3) the establishment of stockpiles of agricultural commodities and other critical materials to help stabilize prices, meet emergency needs, and promote adequate income to producers;

"(4) encouragement to labor and management to increase productivity within the national framework of full employment through voluntary arrangements in industries and economic sectors;

"(5) recommendations to increase competition in the private sector and to improve the economic climate for the creation and growth of smaller businesses, including recommendations to strengthen and enforce the antitrust laws, the patent laws, and the internal revenue laws and regulations;

"(6) removal or proper modification of such Government restrictions and regulations as add unnecessarily to inflationary costs;

"(7) increasing exports and improving the international competitive position of agriculture, business, and industry; and

"(8) such other administrative actions and recommendations for legislation as the President deems desirable, to promote reasonable price stability.".

COUNCIL OF ECONOMIC ADVISERS

SEC. 110. (a) Section 10 of the Employment Act of 1946 (as redesignated by section 104 of this Act) is amended— 15 USC 1023. *Ante*, p. 1893.

(1) in the second sentence of subsection (a), by inserting "full" immediately after "promote";

(2) in subsection (c)(4), by inserting "including small and larger business" immediately after "enterprise" and by inserting "full" immediately after "maintain";

(3) in subsection (e)(1), by inserting immediately before the semicolon a comma and the following: "and shall consult with the board or boards established under section 9"; and

(4) in subsection (e), by inserting after paragraph (2) the following:

"In its work under this Act and the Full Employment and Balanced Growth Act of 1978, the Council is authorized and directed to seek and obtain the cooperation of the various executive and independent agencies in the development of specialized studies essential to its responsibilities.". *Ante*, p. 1887.

ADVISORY BOARD OR BOARDS

SEC. 111. (a) The Employment Act of 1946 is amended by inserting a new section 9 as follows:

"ADVISORY BOARD OR BOARDS

"SEC. 9. (a) An advisory board or boards (including regional advisory boards) may be established as the President deems appropriate to advise and consult periodically with one or more of the following: The President, the Council of Economic Advisers, and such other departments and agencies of the executive branch of the Federal Government as the President shall determine. Establishment and duties. 15 USC 1022f.

"(b) Such advisory board or boards shall include appropriate representation of labor, small and larger businesses and industries, agriculture, consumers, State and local officials, and the public at large, and shall advise and consult with respect to matters related to this Act, the Full Employment aand Balanced Growth Act of 1978, and other appropriate matters related to national economic programs and policies. The President shall, in accordance with applicable provisions of law, take the steps necessary to provide appropriate compensation to the members of such advisory board or boards.". Membership.

TITLE II—STRUCTURAL ECONOMIC POLICIES AND PROGRAMS, INCLUDING TREATMENT OF RESOURCE RESTRAINTS

STATEMENT OF PURPOSE

SEC. 201. The Congress recognizes that general economic policies alone have been unable to achieve the goals set forth in this Act related to full employment, production, and real income, balanced growth, adequate growth in productivity, proper attention to national priorities, achievement of an improved trade balance through increased exports and improvement in the international competitiveness of agri- 15 USC 3111.

culture, business, and industry, and achievement of reasonable price stability as provided for in section 5(b) of the Employment Act of 1946. It is, therefore, the purpose of this title to require the President to initiate, as the President deems appropriate, with recommendations to the Congress where necessary, supplementary programs and policies to the extent that the President finds such action necessary to help achieve these goals, including the goals and timetable for the reduction of unemployment. Insofar as feasible without undue delay, any policies and programs so recommended shall be included in the Economic Report.

Ante, p. 1895.
Policies and programs, initiation.

COUNTERCYCLICAL EMPLOYMENT POLICIES

15 USC 3112.

SEC. 202. (a) Any countercyclical efforts undertaken to aid in achieving the purposes of section 201 shall consider for inclusion the following programmatic entities:

(1) accelerated public works, including the development of standby public works projects;

(2) public service employment;

(3) State and local grant programs;

(4) the levels and duration of unemployment insurance;

(5) skill training in both the private and public sectors, both as a general remedy and as a supplement to unemployment insurance;

(6) youth employment programs as specified in section 205;

(7) community development programs to provide employment in activities of value to the States, local communities (including rural areas), and the Nation;

(8) Federal procurement programs which are targeted on labor surplus areas; and

(9) augmentation of other employment and training programs which would help to reduce high levels of unemployment arising from cyclical causes.

(b) In any countercyclical efforts undertaken, the President shall consider a triggering mechanism which will implement the program during a period of rising unemployment and phase out the program when unemployment is appropriately reduced, and incorporate effective means to facilitate individuals assisted under programs developed pursuant to this section to return promptly to regular private and public employment as the economy recovers.

COORDINATION WITH STATE AND LOCAL GOVERNMENT AND PRIVATE SECTOR ECONOMIC ACTIVITY

15 USC 3113.

SEC. 203. (a) As an integral part of any countercyclical employment policies undertaken in accord with section 202, the President shall, to the extent the President deems necessary, set forth programs and policies, including recommended legislation where needed, to coordinate economic action among the Federal Government, regions, States and localities, and the private sector to promote achievement of the purposes of this Act and the Employment Act of 1946 and an economic environment in which State and local governments and private sector economic activity and employment will prosper. In considering programs and policies related to the private sector, full consideration shall be given to promoting the growth and well-being of small businesses and employment training programs through private sector incentives.

15 USC 1021 note.

(b) In any efforts under this section, the President shall endeavor to meet criteria that establish programs which are funded to take account of the fiscal needs and budget conditions of the respective States and localities and their own efforts, with special attention to the rates of unemployment in such States and localities.

REGIONAL AND STRUCTURAL EMPLOYMENT POLICIES

SEC. 204. (a) To the extent deemed appropriate by the President in fulfillment of the purposes of section 201, the President shall recommend legislation to the Congress if necessary, regional and structural employment policies and programs. Legislative recommendations. 15 USC 3114.

(b) In formulating the regional components of any such programs, the President shall encourage to the extent the President deems necessary, new private sector production and employment to locate within depressed localities and regions with substantial unemployment and to aid in stabilizing their economic base. To the extent feasible, such policies and programs shall foster the establishment and growth of smaller businesses in such localities and regions. Any regional employment proposal of the President shall also include an analysis of the extent to which Federal tax, expenditure (including procurement of goods and services), defense, transportation, energy, natural resources and employment policies have influenced the movement of people, jobs, and small and larger business and industries from chronic high unemployment regions and areas, and proposals designed to correct Federal policies that have an adverse economic impact upon such regions and areas. Analysis, inclusion.

YOUTH EMPLOYMENT POLICIES

SEC. 205. (a) The Congress finds and declares— 15 USC 3115.

(1) That serious unemployment and economic disadvantage of a unique nature exist among youths even under generally favorable economic conditions;

(2) that this group constitutes a substantial portion of the Nation's unemployment, and that this significantly contributes to crime, alcoholism and drug abuse, and other social and economic problems; and

(3) that many youths have special employment needs and problems which, if not promptly addressed, will substantially contribute to more severe unemployment problems in the long run.

(b) To the extent deemed necessary in fulfillment of the purposes of this Act, the President shall improve and expand existing youth employment programs, recommending legislation where required. In formulating any such program, the President shall—

(1) include provisions designed to fully coordinate youth employment activities with other employment and training programs;

(2) develop a smoother transition from school to work;

(3) prepare disadvantaged and other youths with employability handicaps for regular self-sustaining employment;

(4) develop realistic methods for combining training with work; and

(5) develop provisions designed to attract structurally unemployed youth into productive full-time employment through incentives to private and independent sector businesses;

JOB TRAINING, COUNSELING AND RESERVOIRS OF EMPLOYMENT PROJECTS

Policies, procedures and recommendations.
15 USC 3116.
15 USC 1021 note.

SEC. 206. (a) Further to promote achievement of full employment under this Act and the Employment Act of 1946, the President, through the Secretary of Labor, shall develop policies and procedures and, as necessary, recommend programs for providing employment opportunities to individuals aged 16 and over in the civilian labor force who are able, willing, and seeking to work but who, despite serious efforts to obtain employment, remain unemployed.

(b) In meeting the responsibilities under subsection (a), the Secretary of Labor shall, as appropriate, fully utilize the authority provided under CETA and other relevant provisions of law to—

(1) assure the availability of counseling, training, and other support activities necessary to prepare persons willing and seeking work for employment (including use of section 110 of CETA when necessary);

Post, p. 1930.

(2) refer persons able, willing, and seeking to work to job opportunities in the private and public sectors through the existing public employment placement facilities and through the United States Employment Service of the Department of Labor, including job opportunities in any positions created under programs established pursuant to sections 202, 204, and 205 of this Act; and

(3) encourage flexi-time and part-time jobs for persons who are able, willing, and seeking employment but who are unable to work a standard workweek.

Project reservoirs, establishment.

(c)(1) To the extent that individuals aged sixteen and over and able, willing, and seeking to work are not and in the judgment of the President cannot be provided with private job opportunities or job opportunities under other programs and actions in existence, in accord with the goals and timetables set forth in the Employment Act of 1946, the President shall, as may be authorized by law, establish reservoirs of public employment and private nonprofit employment projects, to be approved by the Secretary of Labor, through expansion of CETA and other existing employment and training projects or through such new programs as are determined necessary by the President or through both such projects and such programs.

(2) New programs as may be authorized by law after the date of enactment of this Act referred to in paragraph (c)(1)—

(A) shall not be put into operation earlier than two years after the enactment of this Act, nor without a finding by the President, transmitted to the Congress, that other means of employment are not yielding enough jobs to be consistent with attainment of the goals and timetables for the reduction of unemployment set forth in the Employment Act of 1946;

(B) shall be designed so that no workers from private employment are drawn into the reservoir projects thereunder;

(C) shall be useful and productive jobs;

(D) shall be mainly in the lower ranges of skills and pay, and toward this end the number of reservoir jobs under such new programs shall, to the extent practicable, be maximized in relationship to the appropriations provided for such jobs;

(E) shall be targeted on areas of high unemployment and on individuals who are structurally unemployed;

(F) shall be phased in by the President as necessary, in conjunction with the employment goals under sections 3(a)(2) and 4(b) of the Employment Act of 1946.

Ante, pp. 1892, 1893.

(d) The Secretary, in carrying out the provisions of this section, shall establish regulations providing for— Regulations.

(1) an initial determination of the job seeker's ability to be employed at certain types and duration of work, so that such individual may be appropriately referred to jobs, training, counseling, and other supportive services;

(2) compliance with the nondiscrimination provisions of this Act in accordance with section 401; Post, p. 1907.

(3) appropriate eligibility criteria to determine the order of priority of access of any person to any new programs under subsection (c) as may be authorized by law including but not necessarily limited to (A) household income, duration of unemployment (not less than five weeks), and the number of people economically dependent upon such person; and (B) denial of access to any person refusing to accept or hold a job except for good cause, as determined by the Secretary of Labor, including refusal to accept or hold a job subject to reference under subsection (b) paragraph (2), in order to seek a reservoir project job under subsection (c); and

(4) such administrative appeal procedures as may be appropriate to review the initial determination of the abilities of persons willing, able, and seeking to work under paragraph (1) of this subsection and the employment need and eligibility under paragraph (3) of this subsection.

CAPITAL FORMATION—PRIVATE AND PUBLIC

SEC. 207. (a) The Congress finds that— 15 USC 3117.

(1) promotion of full employment and balanced growth is in itself a principal avenue to high and sustained rates of capital formation;

(2) high rates of capital formation are necessary to ensure adequate rates of capacity expansion and productivity growth, compliance with governmental health, safety and environmental standards, and the replacement of obsolete production equipment;

(3) the ability of our economy to compete successfully in international markets, the development of new technology, improved working conditions, expanding job opportunities, and an increasing standard of living depend on the availability of adequate capital at reasonable cost to commerce and industry;

(4) an important goal of national policy shall be to remove obstacles to the free flow of resources into new investment, particularly those obstacles that hinder the creation and growth of smaller businesses because general national programs and policies to aid and stimulate private enterprise are not sufficient to deal with the special problems and needs of smaller businesses; and

(5) while private business firms are, and should continue to be, the major source of investment, the investment activities of the Federal, State, and local governments play an important role in affecting the level of output, employment, and productivity and in achieving other national purposes.

(b) The Economic Report shall include an Investment Policy Report which shall, as appropriate, (1) review and assess existing Federal Government programs and policies which affect business investment decisions, including, but not limited to, the relevant aspects Investment Policy Report, inclusion.

of the tax code, Federal expenditure policy, Federal regulatory policy, international trade policy, and Federal support for research, development, and diffusion of new technologies; (2) provide an assessment of the levels of investment capital available, required by, and applied to small, medium and large business entities; (3) provide an analysis of current and foreseeable trends in the level of investment capital available to such entities; and (4) provide a description of programs and proposals for carrying out the policy set forth in section 102(i). In addition, the Economic Report shall include an assessment of the effect of the overall economic policy environment and the rate of inflation on business investment. The President shall recommend in the President's Budget, as appropriate, new programs or modifications to improve existing programs concerned with private capital formation. The President shall also transmit to the Congress as part of the President's Budget such other recommendations as the President may deem necessary or desirable to achieve the policy as set forth in section 102(i). The Investment Policy Report, when transmitted to the Congress, shall be referred to the Joint Economic Committee.

Assessment.

Recommendations.

Referral to congressional committee.

(c) The Economic Report referred to in subsection (b) shall review and assess Federal policies and programs which directly, or through grants-in-aid to State and local governments, or indirectly through other means, affect the adequacy, composition and effectiveness of public investments, as a means of achieving the goals of this Act and the Employment Act of 1946. The President shall recommend, as appropriate, new programs and policies or modifications to improve existing Federal programs affecting public investment.

15 USC 1021 note.

TITLE III—POLICIES AND PROCEDURES FOR CONGRESSIONAL REVIEW

STATEMENT OF PURPOSE

15 USC 3131.

SEC. 301. (a) The purposes of this title are to establish procedures for congressional review and action with respect to the Economic Report of the President (hereafter in this title referred to as the "Economic Report"), the report of the Board of Governors of the Federal Reserve System, and the other policies and provisions of this Act and the Employment Act of 1946.

Legislative action.

(b) The Congress shall initiate or develop such legislation as it deems necessary to implement proposals and objectives pursuant to this Act and the Employment Act of 1946 after such modification in such proposals at it deems desirable. Nothing in this title shall be construed to prevent the Congress or any of its committees from considering or initiating at any time legislative action in furtherance of the goals and purposes of this act.

COMMITTEE REVIEW

15 USC 3132.

SEC. 302. (a) In conjunction with its review of the Economic Report, and the holding of hearings on the Economic Report under the Employment Act of 1946, the Joint Economic Committee shall review and analyze the short-term and medium-term goals set forth in the Economic Report pursuant to sections 3(a)(2) and 4(b) of the Employment Act of 1946 (as amended by sections 103 and 104 of this Act).

Ante, pp. 1892, 1893.

(b) The Joint Economic Committee shall hold hearings on the Economic Report for the purpose of receiving testimony from Members of the Congress, and such appropriate representatives of Federal departments and agencies, the general public, and interested groups as the joint committee deems advisable. The joint committee shall also consider the comments and views on the Economic Report which are received from State and local officials. Hearings.

(c) Within thirty days after receipt by the Congress of the Economic Report, each standing committee of the Senate and the House of Representatives, each other committee of the Senate and the House of Representatives which has legislative jurisdiction, and each joint committee of the Congress may submit to the Joint Economic Committee, for use by the Joint Economic Committee in conducting its review and analysis under subsection (a), a report containing the views and recommendations of the submitting committee with respect to aspects of the Economic Report which relate to its jurisdiction. Report.

(d) On or before March 15 of each year, a majority of the members of the Joint Economic Committee shall submit a report to the Committees on the Budget of the Senate and the House of Representatives. Such report shall include findings, recommendations, and any appropriate analyses with respect and in direct comparison to each of the short-term and medium-term goals set forth in the Economic Report. Report.

REVIEW OF ECONOMIC REPORT AS PART OF CONGRESSIONAL BUDGET PROCESS

SEC. 303. (a) Section 301(c) of the Congressional Budget Act of 1974 is amended— 31 USC 1322.

(1) by inserting after the first sentence the following new sentences: "Each of the recommendations as to short-term and medium-term goals set forth in the report submitted by the members of the Joint Economic Committee under subsection (c) may be considered by the Committee on the Budget of each House as part of its consideration of such concurrent resolution, and its report may reflect its views thereon, and on how the estimates of revenues and levels of budget authority and outlays set forth in such concurrent resolution are designed to achieve any goals it is recommending."; and

(2) by inserting "also" after "shall" in the last sentence.

(b) Section 305(a) of such Act is amended— 31 USC 1326.

(1) by inserting before the period at the end of the first sentence of paragraph (2) a comma and "plus such additional hours of debate as are consumed pursuant to paragraph (3)";

(2) by redesignating paragraphs (3) through (6) as paragraphs (6) through (9) respectively; and

(3) by inserting after paragraph (2) the following new paragraphs:

"(3) Following the presentation of opening statements on the first concurrent resolution on the budget for a fiscal year by the chairman and ranking minority member of the Committee on the Budget of the House, there shall be a period of up to four hours for debate on economic goals and policies.

"(4) Only if a concurrent resolution on the budget reported by the Committee on the Budget of the House sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Full Employment Act of 1946) which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, *Ante*, pp. 1892, 1893.

shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.".

31 USC 1326. (c) Section 305(b) of such Act is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (6) and (7), respectively; and

(2) by inserting after paragraph (2) the following new paragraphs:

"(3) Following the presentation of opening statements on the first concurrent resolution on the budget for a fiscal year by the chairman and ranking minority member of the Committee on the Budget of the Senate, there shall be a period of up to four hours for debate on economic goals and policies.

"(4) Only if a concurrent resolution on the budget reported by the Committee on the Budget of the Senate sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Employment Act of 1946), which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.".

Ante, pp. 1892, 1893.

MODIFICATION OF TIMETABLE FOR ACHIEVING UNEMPLOYMENT GOALS

SEC. 304. (a) Section 301(a) of the Congressional Budget Act of 1974 is amended— 31 USC 1322.

(1) by striking out "and" at the end of paragraph (5); and

(2) by renumbering paragraph (6) as (7) and inserting after paragraph (5) the following new paragraph:

"(6) if required by subsection (e), the calendar year in which, in the opinion of the Congress, the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946 should be achieved; and".

(b) Section 301 of such Act is amended by adding at the end thereof the following new subsection:

"(e) ACHIEVEMENT OF GOALS FOR REDUCING UNEMPLOYMENT.—

"(1) If, pursuant to section 4(c) of the Employment Act of 1946, as amended the President recommends in the Economic Report that the goals for reducing unemployment set for in section 4(b) of such Act be achieved in a year after the close of the five-year period prescribed by such subsection, the first concurrent resolution on the budget for the fiscal year beginning after the date on which such Economic Report is received by the Congress may set forth the year in which, in the opinion of the Congress, such goals can be achieved.

Ante, p. 1893.

"(2) After the Congress has expressed its opinion pursuant to paragraph (1) as to the year in which the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946, as amended, can be achieved, if, pursuant to section 4(e) of such Act, the President recommends in the Economic Report that such goals be achieved in a year which is different from the year in which the Congress has expressed its opinion that such goals should be achieved, either in its action pursuant to para-

Ante, p. 1894.

graph (1) or its most recent action pursuant to this paragraph, the first concurrent resolution on the budget for the fiscal year beginning after the date on which such Economic Report is received by the Congress may set forth the year in which, in the opinion of the Congress, such goals can be achieved.

"(3) It shall be in order to amend the provision of such resolution setting forth such year only if the amendment thereto also proposes to alter the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution in germane fashion in order to be consistent with the economic goals (as described in sections 3(a)(2) and 4(b) of the Employment Act of 1946) which such amendment proposes can be achieved by the year specified in such amendment.". 31 USC 1322. *Ante*, pp. 1892, 1893.

EXERCISE OF RULEMAKING POWERS

SEC. 305. (a) The Provisions of this title and the amendments made by such provisions are enacted by the Congress— 15 USC 3133.

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House), at any time, in the same manner and to the same extent as in the case of any other rule of such House.

TITLE IV—GENERAL PROVISIONS

NONDISCRIMINATION

SEC. 401. (a) No person in the United States shall on the ground of sex, age, race, color, religion, national origin or handicap be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded pursuant to the implementation of this Act, including membership in any structure created by this Act. 15 USC 3151.

(b) Whenever the Secretary of Labor determines that a recipient of funds made available pursuant to this Act has failed to comply with subsection (a), or an applicable regulation, the Secretary shall notify the recipient of the noncompliance and shall request such recipient to secure compliance. If within a reasonable period of time, not to exceed sixty days, the recipient fails or refuses to secure compliance, the Secretary of Labor may— Noncompliance, notification. Remedies.

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) or

(3) take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever the Attorney General has reason to believe that a recipient is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in the appropriate United States district court for any and all appropriate relief.

Enforcement analysis.

(d) To assist and evaluate the enforcement of this section, and the broader equal employment opportunity policies of this Act, the Secretary of Labor shall include, in the annual Employment and Training Report of the President provided under section 705(a) of CETA, a detailed analysis of the extent to which the enforcement of this section achieves positive results in both the quantity and quality of jobs, and for employment opportunities generally.

Post, p. 2012.

LABOR STANDARDS

15 USC 3152.

SEC. 402. (a) Any new program enacted and funded pursuant to the implementation of this Act shall, subject to any limitations on maximum annual compensation as may be provided in the law authorizing such programs, provide that persons employed are paid equal wages for equal work, and that such policies and programs create a net increase in employment through work that would not otherwise be done or are essential to fulfill national priority purposes.

(b) Any person employed in any reservoir project enacted and funded pursuant to the implementation of section 206(c)(1), or in any other job created pursuant to implementation of this Act, shall, subject to any limitations on maximum annual compensation as may be provided in the law authorizing such programs, be paid not less than the pay received by others performing the same type of work for the same employer, and in no case less than the minimum wage under the Fair Labor Standards Act of 1938. No person employed in any reservoir project enacted and funded pursuant to implementation of section 206(c)(1) shall perform work of the type to which the Davis-Bacon Act (40 U.S.C. 276a—276a-5) applies, except as otherwise may be specifically authorized by law.

29 USC 201.

(c) Any recommendation by the President for legislation to implement any program enacted pursuant to the provisions of this Act, requiring the use of funds under this Act, and submitted pursuant to the requirements of this Act, shall contain appropriate wage provisions based upon existing wage standard legislation.

Approved October 27, 1978.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 95-895, Pt. I (Comm. on Education and Labor) and Pt. II (Comm. on Rules).

SENATE REPORTS: No. 95-1177 accompanying S. 50 (Comm. on Human Resources) and (Comm. on Banking, Housing, and Urban Affairs).

CONGRESSIONAL RECORD, Vol. 124 (1978):

Mar. 8, 9, 15, 16, considered and passed House.

Oct. 10, 11, 13, considered and passed Senate, amended.

Oct. 15, House agreed to Senate amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 14, No. 43:

Oct. 27, Presidential statement.